

INFORMATIONAL LETTER NO. 2065-MC-FFS

DATE: November 18, 2019

TO: Iowa Medicaid Home Health Agencies

APPLIES TO: Managed Care (MC) and Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS),
Iowa Medicaid Enterprise (IME)

RE: Low Utilization Payment Adjustment
(LUPA) Reimbursement Methodology
Update

EFFECTIVE: July 1, 2019

Pursuant to the authority of Iowa House File (HF) 766, section 31 and State Plan Amendment (SPA) 19-009 approval by the Centers for Medicare and Medicaid Services (CMS), the IME will rebase the Medicaid Low Utilization Payment Adjustment (LUPA) base rates every two years to reflect the most recent geographic wage adjusted Medicare LUPA rates. Effective with dates of service on or after July 1, 2019, the LUPA rates for the following Home Health Agency (HHA) revenue codes are impacted:

Revenue Code	Service Description
421	Physical Therapy – Visit Charge
431	Occupational Therapy – Visit Charge
441	Speech-Language Pathology – Visit Charge
551	Skilled Nursing – Visit Charge
561	Medical Social Services – Visit Charge
571	Home Health Aide – Visit Charge

The Iowa Medicaid geographic wage adjusted HHA LUPA rates effective July 1, 2019 are available on the [DHS website](#)¹. The IME and Medicaid Managed Care Organizations (MCOs) will update their claims processing systems and will reprocess/adjust affected claims.

If you have questions, please contact the IME Provider Cost Audit at 1-866-863-8610 or by email at costaudit@dhs.state.ia.us.

¹ <https://dhs.iowa.gov/ime/providers/csrp/fee-schedule>